

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices were higher in the Delhi market at Rs. 3490/qrtl whereas prices in Kolhapur at Rs. 3500 per quintal.

According to the First Advance Estimates for 2022-23, total foodgrain production in the country is estimated at 149.92 million tonnes which is higher by 6.98 million tonnes than the average foodgrain production of previous five years' (2016-17 to 2020-21). Total Sugarcane production in the country during 2022-23 is estimated at record 465.05 million tonnes. The production of sugarcane during 2022-23 is higher by 91.59 million tonnes than the average sugarcane production of 373.46 million tonnes.

Weather Forecast

Heavy rainfall at isolated places over Uttarakhand, Sub-Himalayan West Bengal, Sikkim, Himachal Pradesh, Bihar, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura. Thunderstorms accompanied by lightning at isolated places over Jammu, Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh, Delhi, Rajasthan, Uttar Pradesh, Chhattisgarh, Bihar, Jharkhand, West Bengal, Sikkim, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Tamil Nadu, Pondicherry & Karikal.

Previous Domestic Market Updates:

As of 21st Sept 2022, Andhra Pradesh Sugarcane sowing has reached 0.38 lakh hectares for the 2022-23 season which is lower compared to the previous season's sowing of 0.44 lakh hectares. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 544 mm across the state.

As of 21st Sept 2022, Telangana Sugarcane sowing has reached 37097 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 51458 acres. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 1051 mm higher as compared to the previous season of 910 mm across the state.

According to the Maharashtra government, sugarcane crushing season is likely to start from 15th October 2022. The sugarcane crushing season is expected to be of 160 days and the prices for sugarcane are likely to be Rs. 3050 per tonne for recovery of 10.25%. Around 203 sugar mills are expected to participate in the 2022-23 crushing season. Sugar mills in Maharashtra has cleared 98% of FRP to the sugarcane farmers for the 2021-22 season so far.

Maharashtra Sugar Season	2021-22	2022-23*
Area (Lakh Hectares)	13.50	14.41
Sugar Production (Lakh Tones)	137.36	138
Recovery (%)	10.40	10.60
Mills In operation	200	203

Source: *Government estimate

As of Sept. 16th, 2022 Sugarcane sowing has reached 55.65 Lakh Ha. Vs 54.97 Lakh Ha. same period last year.

Sugar mills in Uttar Pradesh has cleared cane dues of around Rs. 30,368.73 crore till 01st September 2022. Sugar mills are yet to clear dues of Rs. 4,832 crore to cane farmers across the state.

Before the start of the sugarcane crushing season, various state governments are demanding the center to release the sugar export policy for the coming 2022-23 season starting from October. Uttar Pradesh sugar industry is demanding allocation of mill-wise export quota while the sugar mills from Maharashtra, Karnataka and Tamil Nadu are demanding exports through open general license policy (OGL). Earlier, Indian Sugar Mills Association had also asked for mill-wise Maximum Admissible Export Quota (MAEQ) for 2022-23 season.

Sugarcane Sowing (Lakh Hectares) As of 16 th Sep 2022		
State-wise	2022-23	2021-22
Andhra Pradesh	0.47	0.84
Assam	0.28	0.28
Bihar	2.35	2.64
Chhattisgarh	0.32	0.12
Gujarat	2.32	2.31
Haryana	1.06	1.1
Karnataka	6.6	5.69
Madhya Pradesh	0.86	1.06
Maharashtra	13.4	12.32
Odisha	0.19	0.17
Punjab	0.97	0.98
Tamil Nadu	1.51	1.5
Telangana	0.32	0.29
Uttar Pradesh	23.6	23.95
Uttarakhand	0.92	0.93
West Bengal	0.16	0.17
Others	0.26	0.35
All-India	55.65	54.97

International Market Updates:

According to UNICA, sugar production in Brazil has increased by 5.77% to 3.13 million tonnes during the first half of August 2022. The allocation to sugar production has been increased to 48.4% as against 46.4% last season. This has resulted in lower ethanol output falling 1.23% to 2.25 billion liters. Earlier, sugar production was expected to fall but with the increase in arrivals and good crop conditions, production has now revived.

Ethanol: According to the market sources, the center may hike the ethanol purchase price by Rs.2 per liter for the 2022-23 season (Dec-Nov). According to the Ministry of petroleum and natural gas, the government has achieved 10.3% ethanol blending in petrol as of June 2022, ahead of the November 2022 deadline. Earlier, during the 2021-22 season, the government increased the procurement price of all three categories of ethanol produced from different sources by 1.27 to 2.55 percent.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Friday, Sept 23rd 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Oct	220923	18.5	18.55	18.04	18.28	-0.21	22,180	79,479	-3,327
22-Mar	220923	17.97	17.98	17.45	17.64	-0.36	49,992	348,492	2,839
22-May	220923	17.35	17.35	16.86	17.02	-0.34	18,209	116,600	-841
23-Jul	220923	17	17.01	16.56	16.72	-0.3	10,154	79,182	1416
23-Oct	220923	17.08	17.08	16.62	16.78	-0.29	3,844	52,863	-841
23-Mar	220923	17.28	17.28	16.86	17.02	-0.28	666	31,464	76
24-May	220923	16.81	16.81	16.41	16.56	-0.28	387	8,343	117
24-Jul	220923	16.46	16.46	16.1	16.25	-0.28	78	10,171	20
Total Volume and Open Interest							105,636	744,459	-513

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Sept 23rd 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Oct	220923	535	535.8	528.1	532.7	-4.2	4,922	37,687	-833
22-Dec	220923	500.8	501.2	492.4	497.3	-6.2	2,930	22,520	-233
22-Mar	220923	490.5	490.6	482.2	486.8	-6.1	1146	6,918	97
22-May	220923	480.8	481.7	474.7	478.7	-5.9	663	5,071	197
23-Aug	220923	473.7	473.7	468.3	471	-5.8	190	4,295	40
Total Volume and Open Interest							9,895	78,678	-704

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			24-Sep-22	23-Sep-22	
Delhi	Delhi	M-Grade	3490	3485	5
	Delhi	S-Grade	3470	3465	5
Uttar Pradesh	Khatauli	M-Grade	3535	3535	Unch
	Ramala	M-Grade	3450	3450	Unch
	Dhampur	M-Grade Ex-Mill	3515	3515	Unch
	Dhampur	S-Grade Ex-Mill	3495	3495	Unch
	Dhampur	L-Grade Ex-Mill	3565	3565	Unch
Maharashtra	Mumbai	M-Grade	3646	3646	Unch
	Mumbai	S-Grade	3530	3530	Unch
	Nagpur	M-Grade	3625	3625	Unch
	Nagpur	S-Grade	3525	3525	Unch
	Kolhapur	M-Grade	3500	3500	Unch
	Kolhapur	S-Grade	3400	3400	Unch
Assam	Guhawati	S-Grade	3715	3715	Unch
Meghalaya	Shillong	S-Grade	3720	3720	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3980	3980	Unch
	Vijayawada	S-Grade (With Duty)	3940	3940	Unch
West Bengal	Kolkata	M-Grade	3920	3920	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3500	3500	Unch
	Dindigul	M-Grade (DCA)	3840	3840	Unch
	Coimbatore	M-Grade (DCA)	3840	3840	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3850	3850	Unch
Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)					

Jaggery (Gur) Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			24-Sep-22	23-Sep-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-

	Muzaffarnagar	Rascut (Fresh)	NA	NA	-
	Hapur	Chaurasa	NA	NA	-
	Hapur	Balti	NA	NA	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	NA	4550	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3380	3300	80
	Mandya	Kurikatu (Medium)	3200	3280	-80
	Mandya	Other (Medium)	3360	3250	110
	Mandya	Yellow (Medium)	3250	3400	-150
	Shimoga/Shivamogga	Achhu (Average)	NA	3700	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		23-Sep-22	16-Sep-22	24-Aug-22	24-Sep-21	23-Sep-22
Oct-22	-1.35	3043	3023	3060	3085	80.97
Mar-23	1.48	3199	3139	3209	3153	
May-23	-6.16	3087	3048	3103	3290	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		23-Sep-22	16-Sep-22	24-Aug-22	24-Sep-21	23-Sep-22
Oct-22	4.28	3876	3815	3870	3717	80.97
Dec-22	20.41	4313	4212	4136	3582	
Mar-23	5.13	3942	3877	3947	3749	

International Sugar FOB (USD/mT)				
Date	Thailand FOB	Brazil FOB	Indian White Sugar FOB	INR
22-Sep-22	506	443	572	79.67
23-Sep-22	508	445	569	79.84

Disclaimer

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